



December 3, 2009

HIGH-SPEED RAIL BOND ACT:

System Attributes and Construction Sequence

PRESENTATION OBJECTIVE

- ✖ Summarize how the bond act affects
 - + The attributes of the high-speed rail system
 - + The timing and sequence of construction



THE BOND ACT

- ✘ Most requirements of the bond act not only affect bond-funded portions of the system, but apply generally to the system, including portions not funded with bond proceeds



TRAIN SYSTEM PHYSICAL CHARACTERISTICS

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✕ Stations

- + 24 station limit
- + No stations between Merced and Gilroy



TRAIN SYSTEM PHYSICAL CHARACTERISTICS

✕ Trains

- + Must be electric passenger trains
- + Revenue operating speed of at least 200 mph



TRAIN SYSTEM PHYSICAL CHARACTERISTICS

✕ Non-Stop Maximum Travel Times

- ✧ San Francisco-LA Union Station: 2:40
- ✧ Oakland-LA Union Station: 2:40
- ✧ San Francisco-San Jose: 0:30
- ✧ San Jose-Los Angeles: 2:10
- ✧ San Diego-Los Angeles: 1:20
- ✧ Inland Empire-Los Angeles: 0:30
- ✧ Sacramento-Los Angeles: 2:20

+ No travel time requirements for Altamont Corridor
or Los Angeles to Anaheim to Irvine Segment



TRAIN SYSTEM PHYSICAL CHARACTERISTICS

✖ Other design characteristics:

- + Operating headway: 5 minutes or less
- + Transition intermediate stations
- + No train change required on a corridor
- + Follow existing transportation or utility corridors
- + Stations with access to other transportation
- + Minimize sprawl and environmental impact
- + Minimize effect on wildlife movement



FUNDING-RELATED REQUIREMENTS

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- ✘ Won't necessarily affect system attributes, but will likely affect timing and sequence of construction
- ✘ Two types of requirements under bond act
 - + Affect particular geographic portions
 - + Affect particular project tasks
- ✘ Non-bond funds are not limited by the funding-related requirements that follow, but will have their own requirements



FUNDING-RELATED REQUIREMENTS

- ✖ General limitation: The amount of bond proceeds available to the project are subject to appropriation



FUNDING-RELATED REQUIREMENTS

✖ Preliminary costs

+ Up to \$675 million available for:

- ✖ Planning: environmental studies, planning, and preliminary engineering activities
- ✖ Certain Capital Costs: (1) acquisition of interests in real property and right-of-way and improvement thereof (A) for preservation for high-speed rail uses, (B) to add to third-party improvements to make them compatible with high-speed rail uses, or (C) to avoid or to mitigate incompatible improvements or uses; (2) mitigation of any direct or indirect environmental impacts resulting from the foregoing; and (3) relocation assistance for property owners and occupants who are displaced as a result of the foregoing

+ Not subject to other funding-related requirements except the appropriation requirement and, in part, the Phase I preference discussed below



FUNDING-RELATED REQUIREMENTS

✖ Geographic - Phase I preference

- ✖ Phase I is San Francisco Transbay Terminal to Los Angeles Union Station to Anaheim
- ✖ Bond proceeds can't be used for capital costs on other corridors unless the Authority makes certain findings and the Legislature appropriates such funding



FUNDING-RELATED REQUIREMENTS

- ✖ Geographic – Order of construction
 - + Subject to Phase I preference
 - + Selection priority to corridors and useable segments that are expected to need lower ratio of bond funding
 - + Certain other criteria must be considered (e.g. utility to other passenger train services, need to test trains)



FUNDING-RELATED REQUIREMENTS

- ✖ Geographic – Order of construction
 - + Bond proceeds can't be used for more than 50% of the construction costs of a corridor or useable segment



FUNDING-RELATED REQUIREMENTS

- ✘ The bond act also limits or conditions use of proceeds for certain *tasks*
- ✘ These limits and conditions relate to the system as a whole and not just a particular portion of it



FUNDING-RELATED REQUIREMENTS

- ✖ Caps on Use of Bond Proceeds
 - + Environmental studies, planning and preliminary engineering - cap of 10% of bond proceeds



FUNDING-RELATED REQUIREMENTS

- ✖ Capital Costs Appropriation Request
 - + Except for \$675 million of preliminary costs, before seeking an initial appropriation of bond money for capital costs on a corridor or useable segment, the Authority must prepare a funding plan for review by certain entities.



FUNDING-RELATED REQUIREMENTS

- ✖ Commitment of Funds for Certain Costs
 - + Except for \$675 million of preliminary costs, before committing bond funds for construction and real property and equipment acquisition costs on a corridor or useable segment, the Authority must prepare a funding plan for review by certain entities and a finding by the Director of Finance.

